



## 1. Introduction

The Centre for Research in Social Policy (CRSP) at Loughborough University has been carrying out research on a minimum income standard for the UK for the past decade. Since 2008, Joseph Rowntree Foundation, the funder of the research, has been publishing annual reports summarising the findings, and since 2009, an online calculator has allowed users to calculate a minimum income requirement for most households in the UK.

Over this period, charities in the benevolent sector (ie those offering assistance, including financial aid, to eligible individuals or households with limited means) have increasingly been using MIS as a tool for the assessment of financial need. This has not come about as a result of any systematic process. It started with random charities becoming aware of MIS and deciding to use it on their own initiative. Over time, these disparate cases of adopting MIS have to some degree been reinforced by exchange of information about MIS, including through the Association of Charitable Organisations, with members of the MIS research team addressing their annual conference on two occasions. The research team has given advice to numerous organisations using or considering the use of MIS, but on a responsive rather than proactive basis. In 2013, a survey of charities helping people in need, carried out for the Association of Charitable Organisations, found that 40% of responding organisations used the Minimum Income Standard to determine need<sup>1</sup>.

Thus there is clear evidence that MIS is being well used in the sector. However,

standard. Just as MIS as a research process involves building consensus among the general public about what is an adequate minimum living standard, so there is potential for charities to reach a degree of consensus about the value and appropriate usage of MIS: its widespread recognition and usage helps validate it as an accepted criterion for assessing people's means against their needs.

In order to gather information about charities' use of MIS, CRSP in partnership with the ACO invited all 120 ACO members to take part in an online survey about awareness and use of MIS. It followed up this survey with ten telephone interviews with charities that use MIS, to explore this usage further. This paper summarises the results of the survey and the interviews. A further stage of this process involves follow-up telephone discussions with charities who do not at present use MIS but, in answering the survey, indicated that they would like to know more, bringing in knowledge about how MIS can be used and how it is being used by others.

## 2. The survey and summary of responses

### 2.1 Response

In total, 120 contacts in different ACO organisations were contacted and invited to complete an online "SurveyMonkey" survey. In addition, 30 participants in a workshop at a conference being held by the Maritime Charities Group were invited to participate (some of these overlapped with ACO members).

A total of 51 responses to the survey were received. This represents a response rate of approximately one third. Given that there is a strong possibility of response bias in favour of those already interested in MIS, the results cannot be used to say accurately how many benevolent charities use MIS overall. Rather, they give an interesting profile of how MIS is being used by a significant proportion of those involved in benevolent giving.

### 2.2 Awareness and usage of MIS

Of those responding, three quarters (39) had heard of MIS, and all but two of these expressed some awareness of what MIS represents, how it is carried out or how it can be used. Interestingly while the majority of those who had heard of MIS "understand broadly how it can be used" (22) and/or "know the basics of what it







In this context, the charities interviewed typical







workhouse. The language of MIS is reflected in the ways in which charities using it project themselves in public:

“Our work is targeted at people who cannot afford an adequate standard of living to take part in society” (Officers’ Association website)

### 3.3 How MIS is applied – principles

At its most basic, MIS offers a criterion for determining who is in financial need, giving a basis for bringing people up to a minimum level if they fall below it. Some of the charities interviewed did aim to provide such a means-tested top-up, within the limits of the resources available. However in practice, MIS is being applied in different ways in different cases, with no single model prevailing. Three key aspects of difference are:

- Whether MIS acts as gateway to support or as a target income to attain.
- Whether MIS









spreadsheet tool is required. It is less sensitive to the age of children than the calculator.

- One charity uses the standard budgets in these spreadsheets for people without children, but adds on additional amounts for children of different ages and birth order, published in the appendix of the annual “cost of a child” report, produced for the MIS team for the Child Poverty Action Group. This produces similar results to the calculator, but is set out as a set of data values that can be entered in a single spreadsheet, rather than requiring the online calculator to be used for each case.
  
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